

**GEARY COUNTY  
PUBLIC BUILDING COMMISSION**

FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2009

## GEARY COUNTY PUBLIC BUILDING COMMISSION

### TABLE OF CONTENTS

	<u>Pages</u>
Independent Auditors' Report	1 - 2
Financial Statements:	
Summary of Cash Receipts, Disbursements, and Unencumbered Cash	3
Statements:	
1 Capital Projects:	
Detention Center Expansion & Hospital Project (Revenue Bond)	4
2 Enterprise Funds:	
2 - 1 Pennell/Courthouse & Office Buildings & Geary County Office Building	5
2 - 2 Hospital Project (Revenue Bond) & Detention Center Expansion	6
Notes to Financial Statements	7 - 12
Supplementary Information	
Statements of Revenues and Expenses - Modified Cash Basis:	
Pennell /Courthouse & Office Buildings	13
Detention Center Expansion	14



816 N Washington  
Junction City, KS 66441  
(785) 238-5166  
Fax (785) 238-6830

529 Humboldt, Suite I  
Manhattan, KS 66502  
(785) 537-9700  
Fax (785) 537-3734

505 NW 3rd, Suite 1  
Abilene, KS 67410  
(785) 263-2171  
Fax (785) 263-3340

[www.pgh-cpa.com](http://www.pgh-cpa.com)

MEMBERS:  
American Institute of  
Certified Public Accountants

Kansas Society of Certified  
Public Accountants



## INDEPENDENT AUDITORS' REPORT

Geary County Public Building Commission  
Junction City, KS 66441

We have audited the accompanying financial statements of Geary County Public Building Commission, a component unit of Geary County, Kansas, as of and for the year ended December 31, 2009, as listed in the table of contents. These financial statements are the responsibility of Geary County Public Building Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit Guide*. Those standards and guidance require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note A, Geary County Public Building Commission has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Geary County Public Building Commission, as of December 31, 2009, or the changes in its financial position for the year then ended. Further, the Geary County Public Building Commission has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of each fund of Geary County Public Building Commission, as of December 31, 2009, and their respective cash receipts and expenditures on the basis of accounting described in Note A.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The information identified in the table of contents as supplementary information is presented by the Commission for purposes of additional analysis and is not a required part of the financial statements of Geary County Public Building Commission. We did not audit and do not express an opinion on such information.

*Pottberg, Gassman & Hoffman, Chartered*

Pottberg, Gassman & Hoffman, Chartered  
January 20, 2011

# GEARY COUNTY PUBLIC BUILDING COMMISSION

## SUMMARY OF CASH RECEIPTS, DISBURSEMENTS, AND UNENCUMBERED CASH FOR THE YEAR ENDED DECEMBER 31, 2009

<u>Funds</u>	<u>Beginning</u> <u>Unencumbered</u> <u>Cash Balance</u>	<u>Cash</u> <u>Receipts</u>	<u>Expenditures</u>	<u>Ending</u> <u>Unencumbered</u> <u>Cash Balance</u>	<u>Add:</u> <u>Outstanding</u> <u>Encumbrances</u> <u>and A/P</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
<b>Capital Project Funds:</b>						
Detention Center Expansion	\$ 190,616	362,732	553,348	-	-	-
Hospital Project (Revenue Bond)	53,375	14,944	68,319	-	-	-
<b>Enterprise Funds:</b>						
Pennell/Courthouse & Office Buildings	741,118	3,555,727	3,420,971	875,874	150	876,024
Geary County Office Building	93,092	28,288	121,380	-	-	-
Hospital Project (Revenue Bond)	39,188	209,365	223,331	25,222	-	25,222
Detention Center Expansion	365,047	579,896	736,630	208,313	-	208,313
<b>Total Reporting Entity</b>	<b>\$ 1,482,436</b>	<b>4,750,952</b>	<b>5,123,979</b>	<b>1,109,409</b>	<b>150</b>	<b>1,109,559</b>
<b>Composition of Cash:</b>			<b>Checking Accounts - Central National Bank</b>			<b>\$ 1,109,559</b>

The notes to the financial statements are an integral part of this statement.

# GEARY COUNTY PUBLIC BUILDING COMMISSION

## CAPITAL PROJECT

### STATEMENTS OF CASH RECEIPTS AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2009

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	<u>2008</u>	<u>2009</u>
<b><u>DETENTION CENTER EXPANSION</u></b>		
Receipts:		
Interest	\$ 31,965	3,854
Reimbursement from Enterprise Fund (2007 Advance)	-	358,878
Miscellaneous	25	-
Total Receipts	<u>31,990</u>	<u>362,732</u>
Expenditures:		
Construction	1,944,173	354,890
Bank Charges	45	-
Legal & Professional Fees	3,564	3,562
Transfer to Enterprise Fund (Close Project)	-	194,896
Total Expenditures	<u>1,947,782</u>	<u>553,348</u>
Receipts Over (Under) Expenditures	(1,915,792)	(190,616)
Unencumbered Cash, January 1	2,106,408	190,616
Unencumbered Cash, December 31	<u>\$ 190,616</u>	<u>-</u>
<b><u>HOSPITAL PROJECT (Revenue Bond)</u></b>		
Receipts:		
Interest	\$ 9,682	978
Miscellaneous	25	-
Transfer from Enterprise Fund (Hospital Contribution)	-	13,966
Total Receipts	<u>9,707</u>	<u>14,944</u>
Expenditures:		
Construction	682,201	64,932
Bank Charges	115	-
Office Supplies	28	-
Legal & Professional Fees	3,214	3,387
Transfer to Enterprise Fund (Interest Income)	22,969	-
Total Expenditures	<u>708,527</u>	<u>68,319</u>
Receipts Over (Under) Expenditures	(698,820)	(53,375)
Unencumbered Cash, January 1	752,195	53,375
Unencumbered Cash, December 31	<u>\$ 53,375</u>	<u>-</u>

The notes to the financial statements are an integral part of this statement.

**GEARY COUNTY PUBLIC BUILDING COMMISSION****ENTERPRISE FUNDS****STATEMENTS OF CASH RECEIPTS AND EXPENDITURES****FOR THE YEAR ENDED DECEMBER 31, 2009****(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)**

	<u>2008</u>	<u>2009</u>
<b><u>PENNELL/COURTHOUSE &amp; OFFICE BUILDINGS</u></b>		
Receipts:		
Rent - Pennell/Courthouse	\$ 438,400	438,400
Rent - Geary County Office Building	-	84,000
Interest	9,751	8,668
Transfer from Geary County Office Building	-	27,610
2009 Refunding Revenue Bonds	-	2,915,000
Premium on 2009 Refunding Revenue Bonds	-	82,049
Total Receipts	<u>448,151</u>	<u>3,555,727</u>
Expenditures:		
Bond Principal	260,000	3,275,000
Bond Interest	97,524	94,921
Bond Handling Fee	1	16
Bond Closing Costs	-	31,368
Underwriter's Discount	-	16,761
Legal & Professional Fees	1,914	2,737
Report Filing Fees	-	150
Bank Charges	-	18
Total Expenditures	<u>359,439</u>	<u>3,420,971</u>
Receipts Over (Under) Expenditures	88,712	134,756
Unencumbered Cash, January 1	652,406	741,118
Unencumbered Cash, December 31	<u>\$ 741,118</u>	<u>875,874</u>
<b><u>GEARY COUNTY OFFICE BUILDING</u></b>		
Receipts:		
Rent	\$ 109,000	28,000
Interest	757	288
Total Receipts	<u>109,757</u>	<u>28,288</u>
Expenditures:		
Bond Principal	70,000	75,000
Bond Interest	38,255	18,454
Bond Handling Fee	1	16
Bank Charges	30	-
Legal & Professional Fees	1,914	-
Bond Closing Costs	-	300
Transfer to Pennell/Courthouse & Office Buildings	-	27,610
Total Expenditures	<u>110,200</u>	<u>121,380</u>
Receipts Over (Under) Expenditures	(443)	(93,092)
Unencumbered Cash, January 1	93,535	93,092
Unencumbered Cash, December 31	<u>\$ 93,092</u>	<u>-</u>

The notes to the financial statements are an integral part of this statement.

# GEARY COUNTY PUBLIC BUILDING COMMISSION

## ENTERPRISE FUNDS

### STATEMENT OF CASH RECEIPTS AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2009

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	2008	2009
<b><u>HOSPITAL PROJECT (Revenue Bond)</u></b>		
Receipts:		
Bond Payment Reimbursement	\$ 209,365	209,365
Interest	13,311	-
Transfer from Capital Project Fund (Interest Income)	22,969	-
Total Receipts	<u>245,645</u>	<u>209,365</u>
Expenditures:		
Bond Interest	209,365	209,365
Transfer to Capital Project Fund (Hospital Contribution)	-	13,966
Total Expenditures	<u>209,365</u>	<u>223,331</u>
Receipts Over (Under) Expenditures	36,280	(13,966)
Unencumbered Cash, January 1	2,908	39,188
Unencumbered Cash, December 31	<u>\$ 39,188</u>	<u>25,222</u>
 <b><u>DETENTION CENTER EXPANSION</u></b>		
Receipts:		
Rent - Current Year	\$ 385,000	385,000
Rent - 2007	360,000	-
Transfer from Project Fund (Close Project)	-	194,896
Total Receipts	<u>745,000</u>	<u>579,896</u>
Expenditures:		
Bond Principal	180,000	185,000
Bond Interest	199,953	192,752
Reimburse Capital Project Fund (2007 Advance)	-	358,878
Total Expenditures	<u>379,953</u>	<u>736,630</u>
Receipts Over (Under) Expenditures	365,047	(156,734)
Unencumbered Cash, January 1	-	365,047
Unencumbered Cash, December 31	<u>\$ 365,047</u>	<u>208,313</u>

The notes to the financial statements are an integral part of this statement.

## GEARY COUNTY PUBLIC BUILDING COMMISSION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2009

#### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows:

##### **1. Reporting Entity**

The Geary County Public Building Commission (Commission) is a component unit of Geary County, Kansas. The entity is a commission of individuals appointed by the Geary County Commissioners for the purpose of acquiring buildings for the use by governmental offices and hospitals. The Commission rents the buildings and oversees the operation of the buildings. It has the authority to borrow money and issue bonds to provide the funds to acquire these buildings.

##### **2. Fund Accounting**

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific regulations, restrictions, or limitations.

The Commission uses capital project funds to account for the construction of the facilities. Enterprise funds are used to account for operations since its activities are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs (expenditures) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges – or where periodic determination of cash receipts, expenditures and/or receipts over expenditures is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

##### **3. Statutory Basis of Accounting**

The statutory basis of accounting, as used in the preparation of these statutory financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The Commission has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the Commission to use the statutory basis of accounting.

##### **4. Departure from Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, expenditures, and cash and unencumbered cash balances. Balance sheets that would have shown non-cash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received

## GEARY COUNTY PUBLIC BUILDING COMMISSION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2009

#### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings and equipment owned by the Commission are not presented in the financial statements.

##### **5. Budgetary Information**

The Commission is not required by Kansas statute to prepare an annual budget since it does not levy property taxes.

#### **NOTE B - DEPOSITS AND INVESTMENTS**

K.S.A. 9-1401 establishes the depositories which may be used by the Commission. The statute requires banks eligible to hold the Commission's funds have a main or branch bank in the county in which the Government is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Commission has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Commission's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Commission has no investment policy that would further limit its investment choices. The Commission had no investments at December 31, 2009.

*Concentration of credit risk.* State statutes place no limit on the amount the Commission may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. State statutes require the Commission's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The Commission has no designated "peak periods". All deposits were legally secured at December 31, 2009.

At December 31, 2009, the Commission's carrying amount of deposits was \$1,109,559 and the bank balance was \$1,111,034. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and \$861,034 was collateralized with securities held by the pledging financial institutions' agents in the Commission's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

#### **NOTE C – COMPLIANCE WITH STATUTES**

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the director of Accounts and Reports and interpretation by the County Attorney.

# GEARY COUNTY PUBLIC BUILDING COMMISSION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2009

### **NOTE C – COMPLIANCE WITH STATUTES (Continued)**

#### Timely Remittance of Bond Payments

K.S.A. 10-130 requires the county treasurer to remit to the state fiscal agent, at least 20 days prior to maturity of the bonds, the amount of the principal and interest due or a certificate from the bank stating that the funds are on deposit and held in trust for the bond payment and that the funds will reach the office of the fiscal agent as required by the method of payment. The state fiscal agent has indicated that their office did not receive the money for the bond payment or the certificate from the bank in a timely manner.

### **NOTE D - CAPITAL PROJECTS**

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project Authorization	Cash Disbursements and Accounts Payable To Date
Detention Center Expansion	\$ 5,326,865	\$ 5,131,969
Hospital Project (Revenue Bond)	5,076,375	5,090,341

The expenditures to date for the Detention Center Expansion were overstated \$358,878 in 2008 due to the inclusion of the bond payment as a project cost. The Geary Community Hospital contributed \$13,966 towards the Hospital Project from interest earned on the Debt Reserve Requirement.

### **NOTE E - RELATED PARTY TRANSACTIONS**

As described in Note A, the Geary County Public Building Commission is a component unit of Geary County, Kansas. Geary County, Kansas rents facilities built by the Commission for an amount sufficient to cover the debt service payments made by the Commission. The rent is not calculated as an arm's-length transaction. The lease agreements also require the lessee to purchase insurance to cover the risk of loss of the facilities.

The Commission obtained revenue bonds for the renovation of the Geary Community Hospital (Hospital). The Hospital requests the bond funds by submitting to the Commission the invoices that it needs to pay. Upon approval, the Commission remits the requested dollars to the Hospital who subsequently pays the vendors. The Hospital is required to provide the Commission with the dollars needed for the bond payments in advance of the payment due dates.

### **NOTE F – REFUNDING REVENUE BONDS**

The Geary County Public Building Commission issued refunding revenue bonds in the amount of \$2,915,000 on April 1, 2009 to retire the Series 2003 A, Refunding Revenue Bonds (Courthouse/Pennell improvements) dated 1/15/2003 and the Geary County Office Building debt issued 1/29/2002. The interest rates on the refunding bonds are 3.00% - 4.00% with a final maturity of February 1, 2017.

# GEARY COUNTY PUBLIC BUILDING COMMISSION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2009

### NOTE G - LONG-TERM DEBT

Changes in long-term liabilities for the Commission for the year ended December 31, 2009, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of		Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance	
				Final Maturity						End of Year	Interest Paid
Revenue Bonds:											
Series 2002 B, Geary Co Office	1.75 - 4.90%	1/29/2002	1,200,000		2/1/2017	\$ 815,000	-	815,000	(815,000)	-	24,099
Series 2003 A, Refunding Revenue	1.25 - 4.25%	1/15/2003	3,775,000		3/1/2017	2,535,000	-	2,535,000	(2,535,000)	-	54,267
Series 2006 B, Geary Comm Hospital	4.20 - 4.35%	7/1/2006	4,925,000		8/1/2031	4,925,000	-	-	-	4,925,000	209,365
Series 2006, Jail & Corrections	4.00 - 4.30%	6/1/2006	5,000,000		8/1/2026	4,700,000	-	185,000	(185,000)	4,515,000	192,753
Series 2009, Refunding Revenue - Courthouse/Pennell/Office	3.00 - 4.00%	4/1/2009	2,915,000		2/1/2017	-	2,915,000	-	2,915,000	2,915,000	35,009
Total long-term debt											
						\$ 12,975,000	2,915,000	3,535,000	(620,000)	12,355,000	515,493

**GEARY COUNTY PUBLIC BUILDING COMMISSION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2009

**NOTE G - LONG-TERM DEBT (Continued)**

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	Year										
	2010	2011	2012	2013	2014	2015-2019	2020-2024	2025-2029	2030-2031	Total	
<b>PRINCIPAL</b>											
Revenue Bonds:											
Series 2006 B, Geary Comm Hospital	\$ -	-	-	-	105,000	1,060,000	1,320,000	1,660,000	780,000	4,925,000	
Series 2006, Jail & Corrections	190,000	195,000	205,000	210,000	220,000	1,250,000	1,530,000	715,000	-	4,515,000	
Series 2009, Refunding Revenue - Courthouse/Pennell/Office	360,000	380,000	385,000	405,000	425,000	960,000	-	-	-	2,915,000	
Total Principal	550,000	575,000	590,000	615,000	750,000	3,270,000	2,850,000	2,375,000	780,000	12,355,000	
<b>INTEREST</b>											
Revenue Bonds:											
Series 2006 B, Geary Comm Hospital	209,365	209,365	209,365	209,365	209,365	939,848	699,763	392,348	51,330	3,130,114	
Series 2006, Jail & Corrections	185,352	177,753	169,953	161,753	153,353	626,383	349,735	46,440	-	1,870,722	
Series 2009, Refunding Revenue - Courthouse/Pennell/Office	99,625	87,575	74,188	60,362	45,838	43,600	-	-	-	411,188	
Total Interest	494,342	474,693	453,506	431,480	408,556	1,609,831	1,049,498	438,788	51,330	5,412,024	
Total Principal & Interest	\$ 1,044,342	1,049,693	1,043,506	1,046,480	1,158,556	4,879,831	3,899,498	2,813,788	831,330	17,767,024	

## GEARY COUNTY PUBLIC BUILDING COMMISSION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2009

#### NOTE H - INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
Hospital Project (Enterprise) (Enterprise Fund)	Hospital Project (Capital Project Fund)	K.S.A. 10-1113	\$ 13,966
Detention Center Expansion (Capital Project Fund)	Detention Center Expansion (Enterprise Fund)	Close Project	194,896
Geary County Office Building	Pennell/Courthouse & Office Buildings	Consolidate Funds	27,610

#### NOTE I - LEASES

The Commission has entered into four operating leases with Geary County, Kansas for the Courthouse/Pennell Building, Geary County Office Building, Detention Center Expansion and the expansion and renovation of the Geary Community Hospital facilities (Hospital Project). The leases expire when the bonds, which were used to construct the facilities, have been retired. The final bond payments on the Courthouse/Pennell and Geary County Office Building, Detention Center Expansion, and Hospital Project bonds are February 1, 2017, August 1, 2026, and August 1, 2031 respectively.

The following is a schedule by years of minimum future rentals on non-cancelable operating leases as of December 31, 2009:

Year Ending December 31:	
2010	\$ 1,140,765
2011	1,140,765
2012	1,140,765
2013	1,140,765
2014	1,245,765
2015-2019	4,519,036
2020-2024	3,944,763
2025-2029	2,663,067
2030-2031	<u>831,330</u>
Total minimum future rentals	<u>\$ 17,767,021</u>

All of the lease agreements, except for the Hospital Project, include a stipulation that within 30 days after receipt of written notice, the lessee is obligated to pay any additional rent deemed payable by the Commission. There have been no such additional rents assessed since the inception of the leases.

#### NOTE J - 2008 FINANCIAL DATA

The amounts shown for 2008 in the financial statements are included where practicable, only to provide a basis for comparison with 2009, and are not intended to present all information necessary for a fair presentation in accordance with the statutory basis of accounting.

The Geary County Office Building fund was merged into the Pennell – Courthouse fund during 2009. The fund was renamed to the Pennell/Courthouse & Office Buildings fund.

## **SUPPLEMENTARY INFORMATION**

**GEARY COUNTY PUBLIC BUILDING COMMISSION**

**STATEMENT OF REVENUES AND EXPENSES - MODIFIED CASH BASIS**  
**PENNELL/COURTHOUSE & OFFICE BUILDINGS**  
**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	<u>2008</u>	<u>2009</u>
REVENUE		
Rent Income - Pennell/Courthouse	\$ 438,400	438,400
Rent Income - Geary County Office Bldg	109,000	112,000
Interest Income	10,508	8,956
TOTAL REVENUE	<u>557,908</u>	<u>559,356</u>
EXPENSES		
Interest Expense	135,779	105,519
Legal & Professional Fees	3,828	2,737
Bond Handling Fee	2	32
Bank Charges	30	18
Report Filing Fees	-	150
Amortization	10,674	4,637
Depreciation - Pennell	24,843	24,843
Depreciation - Pennell Phase II	9,691	9,691
Depreciation - Courthouse	63,245	63,245
Depreciation - Geary Co. Office Bldg	45,703	45,703
Bond Expenses - Prior Issuances	-	86,973
TOTAL EXPENSES	<u>293,795</u>	<u>256,575</u>
NET INCOME (LOSS)	<u>\$ 264,113</u>	<u>302,781</u>

**GEARY COUNTY PUBLIC BUILDING COMMISSION**

**STATEMENT OF REVENUES AND EXPENSES - MODIFIED CASH BASIS**  
**DETENTION CENTER EXPANSION**  
**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	<u>2008</u>	<u>2009</u>
REVENUE		
Rent Income (Current Year)	\$ 385,000	385,000
Rent Income - 2007	360,000	-
TOTAL REVENUE	<u>745,000</u>	<u>385,000</u>
EXPENSES		
Interest Expense	199,953	192,753
Amortization	-	9,415
Depreciation	-	84,426
TOTAL EXPENSES	<u>199,953</u>	<u>286,594</u>
NET INCOME (LOSS)	<u>\$ 545,047</u>	<u>98,406</u>